

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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CARLOS M. SALAS AND ADA CRISTINA SALAS,	:	
	:	
Plaintiffs,	:	
	:	
	:	
-against-	:	Case No.: 16-cv-2248 (DF)
	:	
PETER E. SALAS; DOLPHIN ADVISORS, LLC; DOLPHIN ASSET MANAGEMENT CORP.; DOLPHIN DIRECT EQUITY PARTNERS, LP; AND DOLPHIN MANAGEMENT, INC.,	:	
	:	
Defendants.	:	
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**DEFENDANTS’ RESPONSES AND OBJECTIONS TO SUBPOENA TO  
APPEAR AND TESTIFY AT A HEARING OR TRIAL IN A CIVIL ACTION**

Defendants, Peter E. Salas, Dolphin Advisors, LLC, Dolphin Asset Management Corp., Dolphin Direct Equity Partners, LP and Dolphin Management, Inc. (“Defendants”) hereby respond to plaintiffs’ Subpoena to Appear and Testify at a Hearing or Trial in a Civil Action as follows:

**General Response**

Defendants object to Plaintiffs’ Subpoena on the ground that the requests for documents are untimely. Pursuant to the Court’s Order of June 16, 2017 (DE 14), discovery was to be completed by October 20, 2017. Plaintiffs did not serve their trial subpoena until November 16, 2018, nearly one and a half years after the deadline for the

completion of fact discovery. None of the requests seek documents that did not exist at the time of the discovery cutoff.

**Specific Responses**

1. Audited financial statements for Dolphin OffShore Partners ("DOSP") for the years 2003 through 2005;

**RESPONSE:** Defendants produced the Financial Statements for Dolphin Offshore Partners, L.P. for the year ended March 31, 2005 on January 31, 2018. See Documents Bates Nos. 77605-77619. The Financial Statement for the year 2004 was the subject of Plaintiffs' February 9, 2018 Motion to Compel, which the Court denied on April 6, 2018. See DE 33. For the reasons stated in Defendants' February 13, 2018 letter to the Court (DE 30) and the Court's April 6, 2018 Order, Defendants object to the production of the 2003 Financial Statement.

2. Documents showing the amount of money borrowed and repaid annually by Dolphin Management ("OM") from DOSP" for the years 2003 through 2011 for use in connection with the business of Dolphin Direct Equity Partners, LP ("DDEP") and or investing in DDEP;

**RESPONSE:** See Documents Bates Nos. 87014 - 87046.

3. Documents showing how DM's equity in DDEP increased each year;

**RESPONSE:** See Documents Bates Nos. 1147-1344 and Exhibit 33 from the Deposition of Peter Salas.

4. With respect to ARI Network Services, Peoples Educational Holdings, Telematics Corporation and Williams Controls assets transferred by OM to DDEP as part of its capital contribution, and which OM obtained from DOSP: Documents showing:
  - a. the cost basis on the books of DOSP for such assets and
  - b. the FMV on the books of DOSP for such assets

**RESPONSE: See Documents Bates Nos. 87047 - 87048.**

5. With respect to Primaris Airlines and Southwall Technologies which assets were transferred to DDEP by DM documents showing:
  - a. the cost basis for such by DM and/or DOSP
  - b. the source of funds utilized by DM to acquire such assets and
  - c. whether DDEP was responsible for any debt of DM in relation to that acquisition

**RESPONSE: See Documents Bates Nos. 87047 - 87048.**

6. With respect to the securities contributed to DDEP by DM, documents showing the cost basis of DM.

**RESPONSE: See Documents Bates Nos. 87047 - 87048.**

7. Documents showing each increase in equity in DDEP by DM annually and any debt incurred by DM to DOSP to fund such increase.

**RESPONSE: See Documents Bates Nos. 87014 - 87046.**

Dated: New York, New York  
November 26, 2018

Respectfully submitted,

s/Daniel A. Osborn  
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*Attorneys for Defendants*

**CERTIFICATE OF SERVICE**

I hereby certify that on November 26, 2018 a copy of the foregoing was filed electronically. Notice of this filing will be sent to Counsel of Record by operation of the Court's electronic filing system.

/s/ Daniel A. Osborn

Daniel A. Osborn